

Fiscal Year 2018 Budget

MAY 16, 2017

PRESENTED BY

J. Wayne Vest, County Manager

Janet Parris, Assistant County Manager

Fiscal Year 2018 Budget

| FY17/18 Budget Team Members | |
|-----------------------------|--|
| Name | Position/Title |
| Catherine Graham | Moore County Board of Commissioners, Madam Chair |
| Frank Quis | Moore County Board of Commissioners |
| Laura Williams | Clerk to the Board |
| Caroline Xiong | Chief Finance Officer |
| Denise Brook | Human Resources Director |
| Tami Golden | Internal Auditor |
| Janet Parris | Assistant County Manager |
| Wayne Vest | County Manager |

Fiscal Year 2018 Budget

Guiding Principles:

- Ensure the appropriate level of services for the citizens of Moore County to include a review of the tax rates for the General Fund, Advanced Life Support, and Fire Service District :
- Prioritize education, public safety, and public health:
- Identifying expense reductions and ensuring effective fund and position allocations :
- Preserving the employee compensation package to include the potential for a Cost of Living Adjustment and to ensure the sustainability of the County Self-Insurance program:

Fiscal Year 2018 Budget

Guiding Principles:

Ensure the appropriate level of services for the citizens of Moore County to include a review of the tax rates for the General Fund, Advanced Life Support, and Fire Service District :

The recommended budget

- Maintains the County General Tax Rate at **.465** per \$100 of valuation
- Maintains an Advanced Life Support Rate at **.03** per \$100 of valuation
- Recommends a single rural fire protection service rate of **.09** per \$100 of valuation which is a half-cent increase.

Fiscal Year 2018 Budget

Guiding Principles:

Ensure the appropriate level of services for the citizens of Moore County to include a review of the tax rates for the General Fund, Advanced Life Support, and Fire Service District :

Major areas supported by the budget include:

General Government
Public Safety
Health and Social Services
Education
Water and Sewer
Environmental
Community Development
Cultural/Recreation
Capital
Debt service

Fiscal Year 2018 Budget

Guiding Principles:

Ensure the appropriate level of services for the citizens of Moore County to include a review of the tax rates for the General Fund, Advanced Life Support, and Fire Service District :

Funding Pressures That May Result in Future Year Rate Increases

General Fund:

- School capital project needs
- County capital project needs
- Competitive workforce requirements
- Increasing operational costs

Advanced Life Support:

- Expansion/enhancement of service
- Capital building and vehicle needs
- Competitive workforce requirements
- Increasing operational costs

Fire Service District:

- Fully implementing funding formula
- Capital building and vehicle needs
- Additions/expansions to service

Fiscal Year 2018 Budget

| MOORE COUNTY RATE CHART | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|
| COUNTY GENERAL AND ADVANCED LIFE SUPPORT | | | | | | | |
| | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 | 16/17 | 17/18 |
| COUNTY GENERAL | 0.465 | 0.465 | 0.465 | 0.465 | 0.465 | 0.465 | 0.465 |
| ALS | 0.02 | 0.02 | 0.02 | 0.02 | 0.020 | 0.030 | 0.030 |
| FIRE DISTRICTS | | | | | | | |
| | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 | 16/17 | 17/18 |
| S FIRE, AMBULANCE, RESCUE DISTRICT | | | | | 0.080 | 0.085 | 0.090 |
| A SOUTHERN PINES | 0.089 | 0.089 | 0.089 | 0.089 | | | |
| B CRESTLINE | 0.085 | 0.083 | 0.083 | 0.083 | | | |
| C PINEBLUFF | 0.089 | 0.086 | 0.086 | 0.086 | | | |
| D PINEHURST | 0.084 | 0.084 | 0.084 | 0.084 | | | |
| E SEVEN LAKES | 0.04 | 0.04 | 0.04 | 0.04 | | | |
| F WEST END | 0.059 | 0.059 | 0.059 | 0.069 | | | |
| G EASTWOOD | 0.07 | 0.07 | 0.07 | 0.07 | | | |
| H CIRCLE V | | | | | | | |
| J ROBBINS | 0.061 | 0.063 | 0.063 | 0.063 | | | |
| K CARTHAGE | 0.067 | 0.064 | 0.064 | 0.064 | | | |
| L CAMERON | | | | | | | |
| M HIGHFALLS | 0.066 | 0.066 | 0.066 | 0.066 | | | |
| N EAGLE SPRINGS | 0.078 | 0.075 | 0.075 | 0.075 | | | |
| P ABERDEEN | 0.093 | 0.092 | 0.092 | 0.092 | | | |
| Q CRAINS CREEK | 0.111 | 0.111 | 0.111 | 0.111 | | | |
| T WHISPERING PINES | 0.058 | 0.058 | 0.058 | 0.058 | | | |
| V CYPRESS POINTE | 0.079 | 0.081 | 0.081 | 0.081 | | | |
| W WESTMOORE | 0.071 | 0.071 | 0.071 | 0.071 | | | |

A penny on the County General & ALS tax rate is anticipated to generate \$1,190,578 in revenue

A penny on the Fire Service District tax rate is anticipated to generate \$420,420 in revenue

Fiscal Year 2018 Budget

Guiding Principles:

Prioritize Education, Public Safety and Public Health:

| General Fund Expenditures | FY18 Budget | % |
|----------------------------|------------------|--------|
| Education (including debt) | \$40,753,030 | 43.95% |
| Human Services | \$16,689,491 | 18.00% |
| Public Safety | \$13,279,666 | 14.32% |
| General Government | \$12,403,321 | 13.38% |
| Environmental | \$3,508,054 | 3.78% |
| Debt (excluding education) | \$2,731,110 | 2.95% |
| Non-Dept/Non-Profits | \$1,563,847 | 1.69% |
| Cultural | \$1,231,137 | 1.33% |
| Transfers | <u>\$567,861</u> | 0.61% |
| Total | \$92,727,517 | |

- Education, Safety, and Health comprise 76.27% of the General Fund
- When looking across all funds, Education, Safety, and Health expenditures comprise over 75%

Fiscal Year 2018 Budget

Guiding Principles:

Identifying expense reductions and ensuring effective fund and position allocations:

The budget Team along with Department Directors and other agency leaders, worked closely through the budget process reviewing revenue and expenses and identified a number of line-item changes that were incorporated into the budget to effectively allocate funding.

- The overall budget proposes an increase of 3.33% (4,384,532)
- The General Fund (100) proposes an increase of 2.76% (2,490,841)

Fiscal Year 2018 Budget

Guiding Principles: A Continuation of

Identifying expense reductions and ensuring effective fund and position allocations:

The chart below provides the total Full Time Equivalent (FTE) allocation for FY 2018 as well as a comparison to FTE allocations for prior years to FY 2008. The proposed budget includes a net increase of 13.5 FTEs. The next two charts provide greater detail regarding position funding and allocations.

| Number of Employees (All Funds) | | | | |
|---------------------------------|-----------|-----------|----------------------|-------------|
| FY | Full time | Part time | Total # of Employees | Total FTE's |
| FY07-08 | 615.0 | 58.0 | 673.0 | 644.0 |
| FY08-09 | 623.0 | 30.0 | 653.0 | 638.0 |
| FY09-10 | 629.0 | 24.0 | 653.0 | 641.0 |
| FY10-11 | 620.0 | 18.0 | 638.0 | 629.0 |
| FY11-12 | 610.0 | 17.0 | 627.0 | 618.5 |
| FY12-13 | 611.0 | 17.0 | 628.0 | 619.5 |
| FY13-14 | 617.0 | 19.0 | 636.0 | 626.5 |
| FY14-15 | 626.0 | 16.0 | 642.0 | 634.0 |
| FY15-16 | 632.0 | 11.0 | 643.0 | 637.5 |
| FY16-17 | 632.0 | 11.0 | 643.0 | 637.5 |
| FY17-18 | 648.0 | 6.0 | 654.0 | 651.0 |

Fiscal Year 2018 Budget

Guiding Principles:

Identifying expense reductions and ensuring effective position allocations:

| Fiscal Year Budgeted Employee Position Count by Department | | | | | | | | | | | | | | | | |
|--|------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|-----------|
| Department | FY 2010-11 | | FY 2011-12 | | FY 2012-13 | | FY 2013-14 | | FY 2014-15 | | FY 2015-16 | | FY 2016-17 | | FY 2017-18 | |
| | Full Time | Part Time | Full Time | Part Time | Full Time | Part Time | Full Time | Part Time | Full Time | Part Time | Full Time | Part Time | Full Time | Part Time | Full Time | Part Time |
| Administration | 4 | | 4 | | 4 | | 4 | | 4 | | 4 | | 5 | | 6 | |
| Aging | 20 | 1 | 20 | 1 | 20 | 1 | 20 | 1 | 20 | 1 | 20 | 1 | 20 | 1 | 20 | 1 |
| Child Support | 10 | | 10 | | 10 | | 10 | | 10 | | 10 | | 11 | | 11 | |
| Child Support - Day Reporting Center | 1 | | 1 | | 1 | | 1 | | 1 | | 1 | | 0.15 | | 0.15 | |
| Child Support - Youth Services | 1 | | 1 | | 1 | | 1 | | 1 | | 1 | | 0.85 | | 0.85 | |
| Cooperative Extension | 8 | | 8 | | 7 | | 7 | | 7 | | 6 | | 6 | | 6 | |
| County Attorney | 6 | | 6 | | 6 | | 7 | | 7 | | 7 | | 6 | | 7 | |
| District Attorney's Office | 2 | | 2 | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | |
| Elections | 3 | | 4 | | 4 | | 4 | | 4 | | 4 | | 3 | | 4 | |
| Financial Services | 7 | | 7 | | 7 | | 7 | | 7 | | 7 | | 7 | | 7 | |
| Governing Body | 1 | | 1 | | 1 | | 1 | | 1 | | 1 | | 1 | | 1 | |
| Health | 63 | 5 | 60 | 4 | 51 | 1 | 53 | 1 | 51 | 1 | 50 | 1 | 46 | 1 | 46 | 1 |
| Human Resources | 3 | | 3 | | 3 | | 3 | | 3 | | 3 | | 3 | | 3 | |
| Information Technology | 11 | 1 | 10 | 1 | 10 | 1 | 8 | 1 | 8 | 1 | 10 | | 12 | | 12 | |
| IT - Geographical Information Systems (GIS) | 4 | | 4 | | 4 | | 3 | | 3 | | 3 | | 3 | | 3 | |
| Library | 9 | | 9 | | 9 | | 9 | | 9 | | 9 | | 9 | | 9 | |
| Parks & Recreation | 5 | 1 | 5 | 1 | 5 | 1 | 5 | 1 | 5 | | 5 | | 5 | | 5 | |
| Planning & Community Development | 18 | | 15 | | 14 | | 13 | 1 | 13 | 1 | 13 | | 12 | | 5.67 | |
| Code Enforcement/Inspections | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | | 4.83 | |
| Public Safety - E911 Communications | 15 | | 15 | | 15 | | 15 | | 15 | | 15 | | 15 | | 15 | |
| Emergency Management/Fire | 3 | | 3 | | 3 | | 2.25 | | 2.25 | | 2.25 | | 2.25 | | 2.6 | |
| Public Works - Solid Waste | 10 | | 10 | | 10 | | 9 | | 9 | | 9 | | 9 | | 9 | |
| Register of Deeds | 11 | | 10 | | 10 | | 10 | | 10 | | 10 | | 10 | | 10 | |
| Sheriff | 76 | 1 | 76 | 1 | 76 | 1 | 76 | 1 | 76 | 1 | 77 | | 78 | | 80 | |
| Sheriff - Detention Center | 38 | | 38 | | 42 | | 42 | | 56 | | 57 | | 57 | | 60 | |
| Sheriff - Animal Operations | | | | | 9 | 3 | 10 | 4 | 10 | 4 | 11 | 3 | 11 | 3 | 11 | 1 |
| Social Services | 106 | | 106 | | 101 | | 102 | | 102 | | 99 | | 101 | | 102 | |
| Soil & Water Conservation | 4 | | 4 | | 4 | | 4 | | 3 | | 3 | | 3 | | 3 | |
| Tax | 29 | | 27 | | 27 | | 25 | | 24 | | 24 | | 24 | | 24 | |
| Veterans | 3 | | 3 | | 3 | | 3 | | 3 | | 3 | | 3 | | 3 | |
| Property Management | 25 | 0 | 25 | 0 | 25 | 0 | 25 | 0 | 25 | 0 | 25 | 0 | 27 | 0 | 27 | 0 |
| TOTAL GENERAL FUND 100 | 496 | 9 | 487 | 8 | 482 | 8 | 479.25 | 10 | 489.25 | 9 | 489.25 | 5 | 490.25 | 5 | 498.10 | 3 |
| Emergency Medical Services Fund 200 | 51 | | 51 | | 58 | | 66.75 | | 66.75 | | 72.75 | | 71.75 | | 78.4 | |
| Transportation Fund 230 | 12 | 9 | 11 | 9 | 11 | 9 | 11 | 9 | 10 | 7 | 10 | 6 | 10 | 6 | 11.5 | 3 |
| Self Insurance Fund 810 | 1 | | 1 | | 1 | | 1 | | 1 | | 1 | | 1 | | 1 | |
| Public Works - Utilities Fund 610 | 41 | | 41 | | 40 | | 40 | | 40 | | 40 | | 40 | | 40 | |
| Public Works - WPCP Fund 610 | 19 | 0 | 19 | 0 | 19 | 0 | 19 | 0 | 19 | 0 | 19 | 0 | 19 | 0 | 19 | 0 |
| TOTAL OTHER FUNDS | 124 | 9 | 123 | 9 | 129 | 9 | 137.75 | 9 | 136.75 | 7 | 142.75 | 6 | 141.75 | 6 | 149.9 | 3 |
| Totals | 620 | 18 | 610 | 17 | 611 | 17 | 617.00 | 19 | 626.00 | 16 | 632.00 | 11 | 632.00 | 11 | 648.00 | 6 |
| Total Number of FTEs | 629.0 | | 618.5 | | 619.5 | | 626.5 | | 634.0 | | 637.5 | | 637.5 | | 651.0 | |

Fiscal Year 2018 Budget

Guiding Principles:

Preserving the employee compensation package to include the potential for a Cost of Living Adjustment and to ensure the sustainability of the County Self-Insurance program:

Fiscal Year 2018 Budget Employee Compensation Package Recommendations

Enhancements

- Cost of Living Increase
- Longevity Plan expansion
- Holiday Leave
- Community Involvement Leave
- Pay and Classification Study Completion

Fiscal Year 2018 Budget

Employee Compensation (Cont.)

Cost of Living Increase

- 2% (effective January 06, 2018)
- Includes full time, part time, resource staff

Fiscal Year 2018 Budget

Employee Compensation (Cont.)

Length of Service benefit

- Current: 2 plans
 - ☐ Longevity Plan – Employees hired prior to July 1, 2010
 - ☐ Service Pay – Employees hired July 1, 2010 to current
- Recommendation: Provide Longevity Plan for all employees & eliminate Service Pay Provision

Fiscal Year 2018 Budget

Employee Compensation (Cont.)

Longevity Plan

- Fully fund plan
 - ☐ Continuous service with Moore County Govt
 - ☐ Score at least proficient rate on performance evaluation
 - ☐ Percentage – Based on years of service – beginning with 3 years
- Inclusion of employees currently under Service Pay provision
 - ☐ Impacts 128 employees (as of analysis date)
 - ☐ Service pay to begin after 10 years of service – flat \$ amounts
 - ☐ Requires performance evaluation score exceeding proficient

Fiscal Year 2018 Budget

Employee Compensation (Cont.)

Holiday Leave Enhancement

Current policy: 11 or 12 days/year

- Depends of what day of week Christmas Day falls

Recommendation: Provide 12 holidays/year

- Christmas leave will be 3 days each year

Fiscal Year 2018 Budget

Employee Compensation (Cont.)

Community Involvement Leave added

- Incorporates and enhances current “Leave for Involvement in Children’s School Activities”
- 8 hours per year
- Includes participation in children’s school activities or for volunteer activities conducted in a community organization

Fiscal Year 2018 Budget

Employee Compensation (Cont.)

- Pay and Classification Study Completion
- Step Plan Progression Funding
- Local Government Retirement System Funding
- 401K contribution
- Life Insurance
- Wellness Works Program
- Health Insurance Benefits (no plan design changes)
- Other benefits – County personnel policy - unchanged

Fiscal Year 2018 Budget

Major Points of Consideration

- 2018 recommended fiscal year budget is balanced at: \$136,156,559 Gross and \$127,441,954 Net (less transfers and assessments).
- The recommended gross budget is an increase of 3.33% increase as compared to the current year FY 2017 budget.
- Funds Moore County Schools at \$34,622,463 including debt service. Increases the allocation to Current Expense by \$2,361,837 and increases the allocation to Current Expense, Capital Outlay, and Digital Learning by \$2,061,837.
- Funds Sandhills Community College at \$6,130,567 including debt service and a transfer of \$598,906 to the SCC Debt Service Reserve. The Current Expense allocation proposes an increase of \$101,295
- Requires no appropriation of fund balance for any fund except fund 215
- Public Works Enterprise Funds have \$789,788 budgeted transfer into capital reserve (WPCP @ \$280,101, Utilities @ \$369,342, EMWD @ \$140,345)

Fiscal Year 2018 Budget

Budget by Fund for Fiscal Year 2018

Proposed Gross and Net Budget by Fund FY17/18

| Fund | Fund Name | Fund Type | Gross Budget | Less Transfers | Net Budget |
|------|----------------------------------|----------------------|---------------|----------------|---------------|
| 100 | General/IT/PM | General | \$92,727,517 | -\$5,215,285 | \$87,512,232 |
| 200 | Public Safety/Emergency Mgmt | Special Revenue | \$6,880,309 | -\$1,711,226 | \$5,169,083 |
| 210 | E911 Telephone | Special Revenue | \$413,395 | \$0 | \$413,395 |
| 215 | Fire, Ambulance, Rescue District | Special Revenue | \$4,293,816 | \$0 | \$4,293,816 |
| 220 | Soil Water Conservation District | Special Revenue | \$21,271 | \$0 | \$21,271 |
| 230 | Transportation Services | Special Revenue | \$1,017,384 | -\$416,836 | \$600,548 |
| 600 | Water Pollution Control Plant | Enterprise | \$4,845,317 | -\$307,617 | \$4,537,700 |
| 610 | Public Utilities | Enterprise | \$11,138,476 | -\$925,591 | \$10,212,885 |
| 620 | East Moore Water District | Enterprise | \$2,013,500 | \$0 | \$2,013,500 |
| 810 | Risk Management | Internal Service | \$8,171,255 | -\$8,400 | \$8,162,855 |
| | Total County Funds | | \$131,522,240 | -\$8,584,955 | \$122,937,285 |
| | | | | | |
| 260 | Convention & Visitor's Bureau | Comp Unit/Spec Rev | \$1,696,695 | -\$57,850 | \$1,638,845 |
| 640 | Airport Authority | Comp Unit/Enterprise | \$2,937,624 | -\$71,800 | \$2,865,824 |
| | Total Component Units | | \$4,634,319 | -\$129,650 | \$4,504,669 |
| | | | | | |
| | | Totals | \$136,156,559 | -\$8,714,605 | \$127,441,954 |

Fiscal Year 2018 Budget

TRANSFERS AND ASSESSMENTS

Transfers are made up of assessment amounts charged to County departments but paid by the Risk Management Internal Service Fund. Some examples include: health insurance, wellness assessment, liability and property insurance, worker's compensation, and unemployment.

Below is a list of the assessments included in the FY16 Budget for the **General Fund**:

| | |
|--------------------------------|-----------------|
| Wellness Assessment | \$187,300 |
| Health Insurance Costs | \$4,104,240 |
| Liability & Property Insurance | \$171,504 |
| Unemployment Premiums | \$63,565 |
| Worker's Compensation Claims | \$446,884 |
| Worker's Compensation Premium | \$221,407 |
| General Fund Assessment | <u>\$29,385</u> |
| Total General Fund Assessments | \$5,215,285 |

The health insurance costs are 78.83% of the total assessment.

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 100: General Fund

| General Fund Revenues | | |
|-----------------------|-----------------|--------|
| Source | FY18 Budget | % |
| Property Tax | \$55,611,895 | 59.97% |
| Sales Tax | \$17,400,136 | 18.76% |
| Grants | \$10,588,993 | 11.42% |
| Departmental Fees | \$8,176,493 | 8.82% |
| Other Taxes | \$690,000 | 0.74% |
| Interest | \$250,000 | 0.27% |
| Transfers In | <u>\$10,000</u> | 0.01% |
| Total Revenues - GF | \$92,727,517 | |

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 100: General Fund

| SERVICES, DEPARTMENTS, ACTIVITIES SUPPORTED BY GENERAL FUND REVENUES | | |
|--|--|---|
| GENERAL GOVERNMENT | | HUMAN SERVICES |
| Administration | | Health Department |
| Governing Body | | Social Services |
| Human Resources | | Child Support 18.00% |
| Finance 13.38% | | Veteran's Services |
| County Attorney | | Aging/Senior Center |
| Tax and Revaluation | | |
| Elections | | CULTURAL DEVELOPMENT |
| Register of Deeds | | Parks and Recreation |
| Information Technology/GIS | | Library 1.33% |
| Property Management | | |
| | | PUBLIC SAFETY FUNCTIONS |
| ENVIRONMENTAL AND COMMUNITY DEVELOPMENT | | Sheriff's Office |
| Planning, Zoning, Inspections 3.78% | | Sheriff - Detention Center |
| Solid Waste | | Sheriff - Animal Operations 14.32% |
| Cooperative Extension | | Day Reporting Center |
| Soil and Water Conservation | | Youth Services |
| | | Public Safety Fire Marshall |
| DEBT SERVICE | | Public Safety Communications |
| Debt Principal 2.95% | | |
| Debt Interest | | EDUCATION |
| | | Schools Expense, Capital, Digital Learning 43.95% |
| NON DEPARTMENTAL/NON PROFITS/TRANSFERS OUT | | Schools Debt |
| Grants/Non-Departmental/Transfers Out to Cap Reserve | | College Expense |
| Courts Facility Costs 1.69% | | College Debt |
| Non Profits | | |

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 100: General Fund

| General Fund Expenditures | | |
|----------------------------|------------------|--------|
| GF Expenditures | FY18 Budget | % |
| Education (including debt) | \$40,753,030 | 43.95% |
| Human Services | \$16,689,491 | 18.00% |
| Public Safety | \$13,279,666 | 14.32% |
| General Government | \$12,403,321 | 13.38% |
| Environmental | \$3,508,054 | 3.78% |
| Debt (excluding education) | \$2,731,110 | 2.95% |
| Non-Dept/Non-Profits | \$1,563,847 | 1.69% |
| Cultural | \$1,231,137 | 1.33% |
| Transfers | <u>\$567,861</u> | 0.61% |
| Total | \$92,727,517 | |

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 100: General Fund

| Total Moore County Schools Funding | | | | | | | | |
|------------------------------------|--------------------|--------------------|----------------|------------------|--------------------------------------|--------------|------------------------|---------------|
| FY | Student Enrollment | Current Expense | Capital Outlay | Digital Learning | Sub Total: Current, Capital, Digital | Debt Service | Debt Service Reduction | Total Funding |
| FY06/07 | 12,190 | \$20,807,940 | \$1,133,950 | \$0 | \$21,941,890 | \$4,122,904 | | \$26,064,794 |
| FY07/08 | 12,294 | \$23,694,245 | \$1,531,444 | \$0 | \$25,225,689 | \$4,057,211 | | \$29,282,900 |
| FY08/09 | 12,190 | \$24,935,195 | \$933,950 | \$0 | \$25,869,145 | \$5,929,507 | | \$31,798,652 |
| FY09/10 | 12,236 | \$24,935,195 | \$733,950 | \$0 | \$25,669,145 | \$7,049,516 | | \$32,718,661 |
| FY10/11 | 12,378 | \$25,540,140 | \$711,932 | \$0 | \$26,252,072 | \$6,887,644 | | \$33,139,716 |
| FY11/12 | 12,371 | \$25,540,140 | \$711,932 | \$0 | \$26,252,072 | \$5,937,920 | | \$32,189,992 |
| FY12/13 | 12,609 | \$25,540,140 | \$711,932 | \$0 | \$26,252,072 | \$5,807,594 | | \$32,059,666 |
| FY13/14 | 12,812 | \$25,165,140 | \$711,932 | \$750,000 | \$26,627,072 | \$5,533,171 | | \$32,160,243 |
| FY14/15 | 12,825 | \$25,315,140 | \$1,200,000 | \$600,000 | \$27,115,140 | \$5,393,955 | Add to Capital | \$32,509,095 |
| FY15/16 | 12,838 | \$26,265,140 | \$750,000 | \$750,000 | \$27,765,140 | \$5,263,064 | Add to CE | \$33,028,204 |
| FY16/17 | 12,849 | \$27,029,515 | \$750,000 | \$750,000 | \$28,529,515 | \$5,324,881 | \$208,290 | \$34,062,686 |
| FY17/18 | 12,696 | \$29,391,352 | \$750,000 | \$450,000 | \$30,591,352 | \$4,031,111 | \$0 | \$34,622,463 |
| | | \$2,361,837 | | | \$2,061,837 | | | |

* FY 2013 original allocation \$32,059,666, series 2003 bond refunding impact \$3,269,232, Total Funding amount of \$35,328,898.

- Schools final request was an increase of \$5,795,000 across CE, Cap, DL, with an added category of Charter Schools (\$1,300,000)
- Current Expense allocation increase \$2,361,837 (8.74%)
- Current, Capital, Digital allocation increase of \$2,061,837 (7.23%)

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 100: General Fund

| Total Sandhills Community College Funding | | | | | |
|---|-----------------|--------------|--|-----------------|---------------|
| FY | Current Expense | Debt Service | Cap Res/Debt Decline in Debt Service | CR/SCC Projects | Total Funding |
| FY09/10 | \$4,135,541 | \$1,999,964 | \$0 | | \$6,135,505 |
| FY10/11 | \$4,011,475 | \$1,778,376 | \$0 | | \$5,789,851 |
| FY11/12 | \$4,011,475 | \$1,994,274 | \$0 | | \$6,005,749 |
| FY12/13 | \$4,121,819 | \$1,950,925 | \$0 | | \$6,072,744 |
| FY13/14 | \$4,121,819 | \$1,781,368 | \$0 | | \$5,903,187 |
| FY14/15 | \$4,265,064 | \$1,733,404 | \$47,964 | \$454,079 | \$6,500,511 |
| FY15/16 | \$4,265,064 | \$1,689,115 | \$92,254 | \$208,048 | \$6,254,481 |
| FY16/17 | \$4,279,427 | \$1,691,838 | \$89,530 | \$233,963 | \$6,294,758 |
| FY17/18 | \$4,380,722 | \$1,150,939 | \$598,906 | | \$6,130,567 |
| | \$101,295 | | \$828,654 | \$896,090 | |

* FY 2013 original allocation was \$6,072,744, series 2003 bond refunding impact \$2,996,259, Total Funding amount of \$9,069,003.

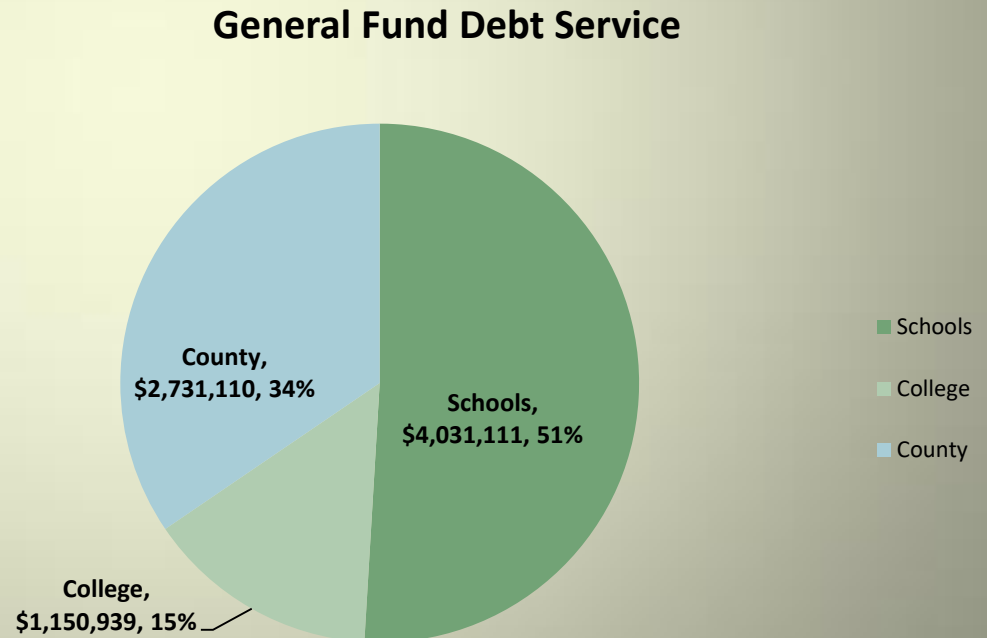
- FY 15 Original allocation \$5,998,468, subsequent transfers increase total to \$6,500,511
- FY 16 Original allocation \$6,046,433, subsequent transfers increase total to \$6,254,481
- FY 17 Original allocation \$6,060,795, subsequent transfers increase total to \$6,294,758

Fiscal Year 2018 Budget

KEY POINTS REGARDING GENERAL FUND DEBT SERVICE

- Total Debt Service is \$11, 343,279 (Includes Enterprise Fund Debt Service)
- Total General Fund Debt Service is \$7,913,160

| General Fund Debt Service Graph (P&I) | | |
|---------------------------------------|-------------|---------|
| | Amount | % |
| Schools | \$4,031,111 | 50.94% |
| College | \$1,150,939 | 14.54% |
| County | \$2,731,110 | 34.51% |
| Total | \$7,913,160 | 100.00% |



Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 100: General Fund

End of General Fund Key Points

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 200: Public Safety/Emergency Management

- Balanced at \$6,880,309 in Revenues and Expenditures
- Supported by Advanced Life Support (ALS) tax revenue, fees, and other revenue
- ALS Tax Rate proposed at **.03/\$100** of valuation, applies to all properties
- Includes funding for 2 Sprinter-type vans to replace Quick Response Vehicles (trucks), and one ambulance remount
- Adds 7 positions as operations transitions away from 24-on/48-off schedule
- No fund balance appropriation

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 210: E911

- Balanced at \$413,395 in Revenues and Expenditures
- Funds generated by E911 surcharge on phone bills and appropriated fund balance (no appropriated fund balance for FY 2018)
- E911 surcharge revenues are regulated by the State
- Currently moving forward with back-up 911 project
- FY 16/17 projected calls: 95,000

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 215: Moore County Fire Protection, Ambulance, and Rescue Service District

| Rural Fire Protection Service Tax | | | | | | | |
|--|---|------------------------------|--|--------------------------------|-----------------------------|---|--|
| FY17/18 - Unified Tax Rate @.09/\$100 Value | | | | | | | |
| | | | | | | FY17/18 Budget | |
| Total 2017-2018 Tax Base | | | | | | @98.5%-Discounts | |
| \$4,312,214,846 divided by \$100 x .09 x .985 -Discounts \$39,000 = Budget | | | | | | \$3,783,778 | |
| | | | Revenue Generated by .09 Rate | | | \$3,783,778 | |
| | | | Appropriated Fund Balance from FY16/17 | | | \$60,038 | |
| | | | Revenue Allocation from Fund 200 ALS | | | \$450,000 | |
| | | | Total Fund 215 Revenue | | | \$4,293,816 | |
| | | | A penny on the Fire Rate generates \$420,420 | | | | |
| Column 1 | Column 2 (3 + 4) | Column 3 (5 + 6) | Column 4 (7 + 8) | Column 5 | Column 6 | Column 7 | Column 8 |
| <u>Rural Fire Service District</u> | <u>Total Manager Recommendation @ 98.5%</u> | <u>Subtotal Distribution</u> | <u>Subtotal Reserve</u> | <u>Operations Distribution</u> | <u>Capital Distribution</u> | <u>Apparatus Reserve 21555500 56281</u> | <u>Building Reserve 21555500 56282</u> |
| Aberdeen | \$128,022 | \$128,022 | \$0 | \$110,063 | \$17,959 | \$0 | \$0 |
| Carthage | \$324,144 | \$279,607 | \$44,537 | \$240,664 | \$38,943 | \$36,633 | \$7,904 |
| Crains Creek | \$191,493 | \$158,826 | \$32,667 | \$141,927 | \$16,899 | \$32,667 | \$0 |
| Cypress Pointe | \$784,946 | \$745,761 | \$39,185 | \$567,624 | \$178,137 | \$39,185 | \$0 |
| Eagle Springs | \$212,426 | \$173,566 | \$38,860 | \$149,460 | \$24,106 | \$29,101 | \$9,759 |
| Eastwood | \$200,095 | \$167,464 | \$32,631 | \$132,163 | \$35,301 | \$32,631 | \$0 |
| High Falls | \$187,840 | \$164,218 | \$23,622 | \$131,338 | \$32,880 | \$14,832 | \$8,790 |
| Pinebluff | \$238,476 | \$197,188 | \$41,288 | \$189,810 | \$7,378 | \$41,288 | \$0 |
| Pinehurst | \$199,407 | \$199,407 | \$0 | \$184,249 | \$15,158 | \$0 | \$0 |
| Robbins | \$275,445 | \$259,015 | \$16,430 | \$211,631 | \$47,384 | \$16,430 | \$0 |
| Seven Lakes | \$316,673 | \$261,465 | \$55,208 | \$230,069 | \$31,396 | \$43,149 | \$12,059 |
| Southern Pines | \$496,292 | \$488,973 | \$7,319 | \$440,944 | \$48,029 | \$0 | \$7,319 |
| West End | \$415,137 | \$350,306 | \$64,831 | \$302,472 | \$47,834 | \$46,272 | \$18,559 |
| Westmoore | \$182,988 | \$144,063 | \$38,925 | \$132,567 | \$11,496 | \$30,976 | \$7,949 |
| Whispering Pines | \$140,432 | \$136,792 | \$3,640 | \$117,111 | \$19,681 | \$0 | \$3,640 |
| | \$4,293,816 | \$3,854,673 | \$439,143 | \$3,282,092 | \$572,581 | \$363,164 | \$75,979 |
| Total Budget Fund 215 | \$4,293,816 | | | | | | |
| Property Tax Rate Amount | \$3,783,778 | | | | | | |
| Penny on Fire Tax Rate | \$420,420 | | | | | | |

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 220: Soil and Water Conservation District

- Balanced at \$21,271 in Revenues and Expenditures
- Revenues generated by fees from services and matching State Grant Funds
- No change from FY 2017 budget

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 230: Moore County Transportation Services

- Balanced at \$1,017,384 in Revenues and Expenditures
- \$181,133 decrease from fiscal year 2017 budget
- Revenues generated by user fees, grants, sale of assets
- No proposed fee schedule changes for FY 2018
- No appropriated fund balance is proposed for fiscal year 2018
- Generated revenues cover yearly expenses

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 230: Moore County Transportation Services



Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Funds 600, Water Pollution Control Plant; 610, Public Utilities; 620 East Moore Water District

| Enterprise Funds | | | |
|-------------------------------|---------------------------|---------------------------|----------------|
| Public Works Division | FY2016-17 Proposed Budget | FY2017-18 Proposed Budget | Difference (%) |
| Water Pollution Control Plant | \$4,639,254 | \$4,845,317 | 4.44% |
| Moore County Public Utilities | \$10,138,489 | \$11,138,476 | 9.86% |
| East Moore Water District | \$1,662,600 | \$2,013,500 | 21.11% |
| Total | \$16,440,343 | \$17,997,293 | 9.47% |

All three funds have budgeted transfers into Capital Reserve: Total of \$789,788

- WPCP @ \$280,101
- Public Utilities @ \$369,342
- EMWD @ \$140,345

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Funds 600, Water Pollution Control Plant; 610, Public Utilities; 620 East Moore Water District

Proposed Rate Information

Fund 600: No proposed increase in municipal flow rates currently at \$2.95/1,000

Fund 610: The 2017 proposed fee schedule for Public Utilities recommends a **monthly** water service and sewer service **base rate increase of approximately 11%** for all meter sizes. Tab 6 of the budget book provides greater detail of all fee schedule changes. Rate increases will support necessary capital projects.

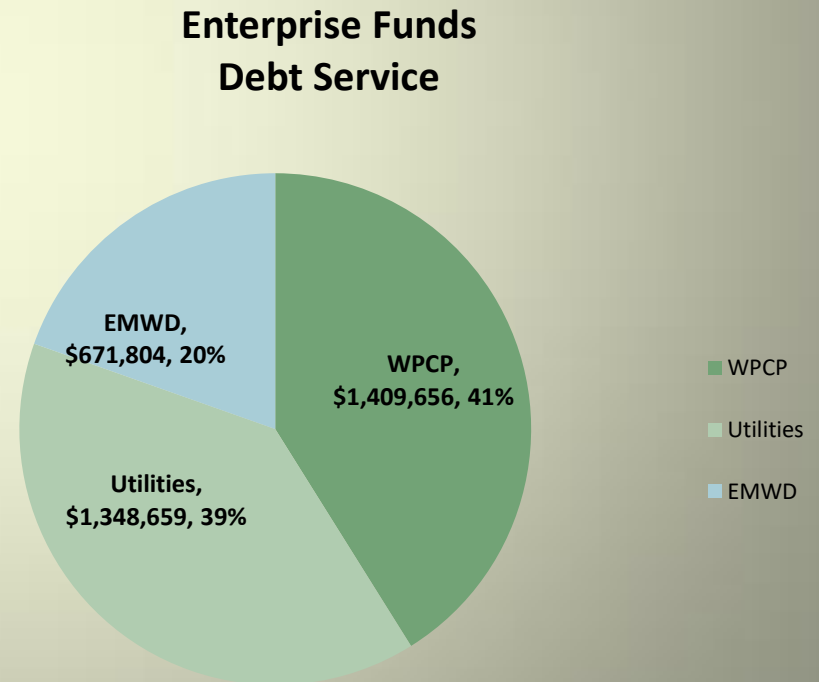
Fund 620: Proposed budget includes **no monthly base rate changes**. EMWD purchases bulk water from Harnett County and sells it to EMWD customers as well as to Moore County Public Utilities.

Fiscal Year 2018 Budget

KEY POINTS REGARDING ENTERPRISE FUND DEBT SERVICE

- Total Enterprise Fund Debt Service is \$3,430,119

| Enterprise Funds Debt Service Graph (P&I) | | |
|---|-------------|---------|
| Fund | Amount | % |
| WPCP | \$1,409,656 | 41.10% |
| Utilities | \$1,348,659 | 39.32% |
| EMWD | \$671,804 | 19.59% |
| Total | \$3,430,119 | 100.00% |



Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 810: Risk Management

- Balanced at \$8,171,255
- A \$125,287 reduction compared to FY 2017
- Treated as an Internal Service Fund
- Expenditures include costs for Health Insurance, Wellness Works, Worker's Compensation, Unemployment, and Unemployment Insurance, Liability and Property Insurance
- Budget proposes no appropriated fund balance
- No proposed changes to employee or dependent coverage plan
- Continue to evaluate premiums, co-pays, deductibles, out-of-pockets for employee and dependent coverage

Fiscal Year 2018 Budget

KEY POINTS REGARDING EACH FUND

Fund 260: Convention and Visitor's Bureau

- Balanced at \$1,696,695
- Increase of \$156,165 compared to fiscal year 2017

Fund 640: Airport

- Balanced at \$2,937,624
- Decrease of \$73,974 Compared to fiscal year 2017
- Includes an appropriation from retained earnings of \$229,482
- In FY 2016, the County opted to retire the Airport hangar debt and eliminate the need to calculate and transfer sales and property taxes related to airport activities and planes hangered at the Airport

Fiscal Year 2018 Budget

A FEW CAPITAL IMPROVEMENT PROJECTS

On April 14, 2016 the Moore County Board of Commissioners held a work session to gather more information on capital improvement needs and discuss in more detail plans for prioritizing and funding the immediate needs. The projects below are the most immediate projects being reviewed, analyzed and discussed.

- Moore County Schools: The Moore County Schools Master Facilities Plan **lists 10 major projects** that are targeted for addressing. The focus of the list has been **scaled down to the top 4 projects** which include an Advanced Career Center for high school students and three elementary schools. The total estimated cost for these four projects is **\$119,440,382**. Over the past year, there have been a number of meetings to discuss **strategy** for funding these four projects which include identifying **existing funds** available, identifying **future revenue streams**, securing **new revenue streams** (Article 43/46 sales tax), and **adjusting** the scope and timing of the projects to fit the funding availability. The discussion will continue as the projects move forward. Most recently, the option of designing an **energy positive** facility and **lease-options** have been introduced and are being evaluated.

Fiscal Year 2018 Budget

A FEW CAPITAL IMPROVEMENT PROJECTS

Enterprise Fund Water and Sewer Projects

- Harnett County: Installation and payment for the new water lines along Hwy 73 is complete and the **initial payments to Harnett County for the plant expansion have been paid ahead of schedule**. The estimated cost of the entire project which is divided into 3 phases is \$14.1 Million and the funding **strategy** for all three phases of the project continues to be developed.
- Robbins Connection: Reviewing the potential of extending a water line along **Hwy 211 to Hwy 705** to connect with the Town of Robbins system. The project is estimated to cost **\$2.95 million** and will allow for Moore County Public Works to **serve customers** along the route and the Town of Robbins. Robbins will most likely be a **bulk customer**. **Longer term**, the flow of water may be **reversed** to allow for **Robbins** to be a **supplier** to Moore County.
- Vass: The **Vass sewer** expansion and upgrade project is underway with the engineering analysis completed and a **funding application submitted** to the United States Department of Agriculture. This project involves replacement of existing on-site septic services, the addition of new sewer lines, and the elimination of capacity bottlenecks in the Vass system.

Fiscal Year 2018 Budget

A FEW CAPITAL IMPROVEMENT PROJECTS

- **Court/Judicial Facility:** Planning and activities for the construction of a **new facility** are ongoing with the current activities being the development of the **programming** plan for the new facility which is a necessary step that produces a detailed document to be used by the eventual architect selected for design. Several members of the Court Facility Advisory Committee have visited various other court facilities to gain ideas and understanding of considerations for a Moore County facility. The **funding strategy** for a new facility will **primarily rely on the decline in debt** service of non-school and college related debt over the next several years. In the early years (1 to 4), funds are anticipated to accumulate and once debt is taken on for the project, the accumulated funds and future declines in debt service are expected to cover the new debt. Enhancing this strategy was the acceleration of the decline in debt service by going through an advanced refunding of existing bonds which lowered the interest rate and annual payments significantly. The proposed budget includes a **transfer to Capital Reserve** for the Court Project in the amount of **\$567,861**. Once this transfer has been completed, the total amount allocated will be **\$935,529**.

Fiscal Year 2018 Budget

A FEW CAPITAL IMPROVEMENT PROJECTS

EMS: Currently The County is putting in place a **back-up 911 operation** at one of the County's existing facilities which is the **Senior Enrichment Center** located on Highway 15-501. The project involves an extensive renovation to what was previously auxiliary and/or storage space at the Senior Center. In **addition** to providing for back-up 911 capabilities, Moore County Information Technology Services has been included in the process and the project provides for **disaster recovery capabilities for IT**. EMS staff is also looking at 2 potential projects involving **partnerships with Southern Pines and Pinehurst** for Moore County EMS to utilize space in facility additions/expansions that each entity has in the works. The Southern Pines project is an effort to relocate the ambulance currently stationed at the Airport. The relocation will allow for improved response times and reduced cost. The Pinehurst project will allow for a relocation of the Pinehurst based response staff and vehicles to be relocated from an existing facility that is in need of extensive renovations to additional space the Village of Pinehurst is considering adding onto the Pinehurst Fire Station. The current **strategy** involves looking at a **long term lease** with **Southern Pines and Pinehurst** which will eliminate having to pay out a significant amount of upfront dollars.

Fiscal Year 2018 Budget

A FEW CAPITAL IMPROVEMENT PROJECTS

Parks and Recreation: **Proposal** for building a recreation center at Hillcrest Park to include **two basketball courts, multi-purpose rooms, concession area, and office space**. Estimated costs originally ranged from \$1.5 to \$2.3 million; however, the latest estimated cost is **\$3.5 million**. Staff and Advisory Board members have visited recreation centers in other jurisdictions in an effort to gain insight as to items to incorporate into the facility and those that are not necessary. The funding **strategy** for this project is still **being developed** as well as where the project fits into the priority ordering. A **project ordinance** has been established and currently has a balance of **\$718,614**.

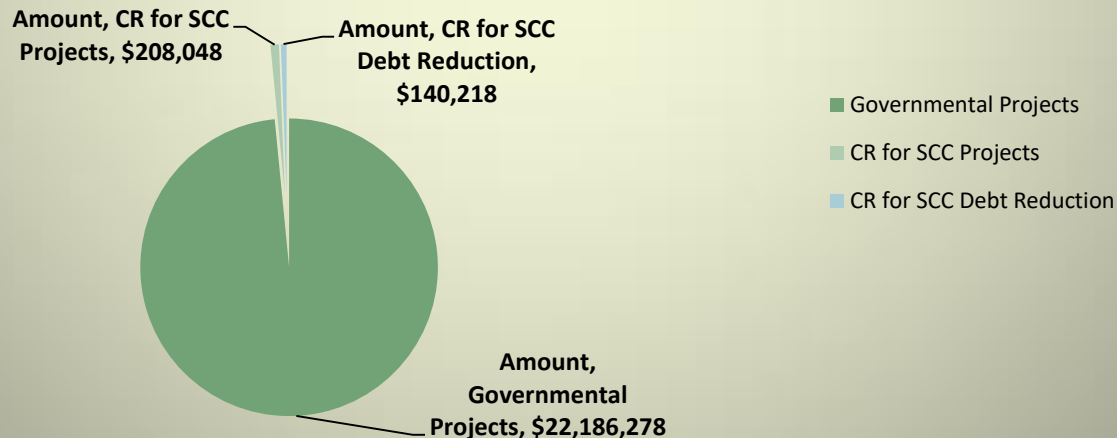
Fiscal Year 2018 Budget

KEY POINTS REGARDING CAPITAL RESERVE FUND

- Audited Amounts Based on Fiscal Year Ended June 30, 2016

| Capital Reserve FY16 Audited Balance | | |
|--------------------------------------|--------------|---------|
| | Amount | % |
| Governmental Projects | \$22,186,278 | 98.45% |
| CR for SCC Projects | \$208,048 | 0.92% |
| CR for SCC Debt Reduction | \$140,218 | 0.62% |
| Total | \$22,534,544 | 100.00% |

Capital Reserve - FY16 Audited Balances

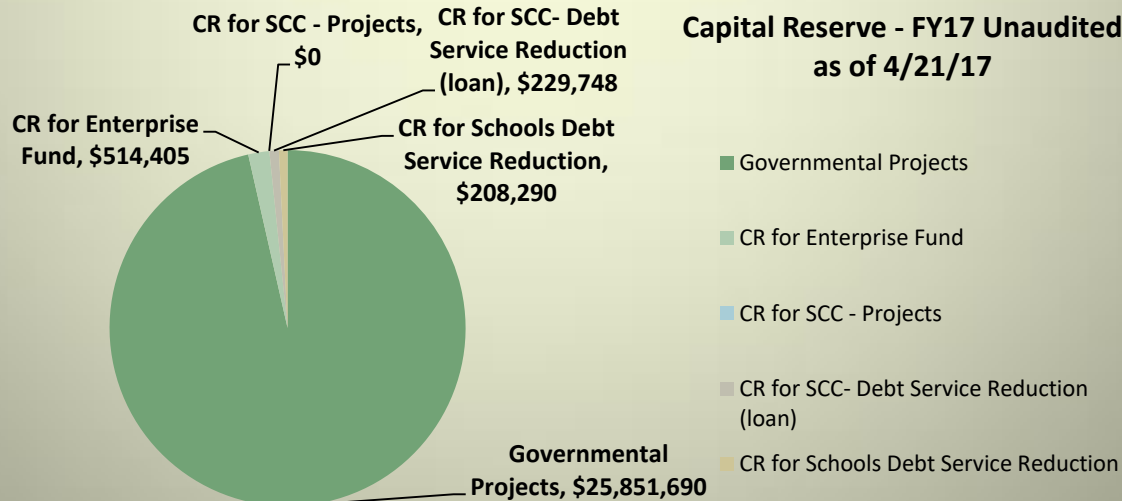


Fiscal Year 2018 Budget

KEY POINTS REGARDING CAPITAL RESERVE FUND

- Unaudited Amounts as of April 21, 2017

| Capital Reserve FY17 UNAUDITED AS OF 4/21/17 | | |
|--|--------------|---------|
| | Amount | % |
| Governmental Projects | \$25,851,690 | 96.45% |
| CR for Enterprise Fund | \$514,405 | 1.92% |
| CR for SCC - Projects | \$0 | 0.00% |
| CR for SCC- Debt Service Reduction (loan) | \$229,748 | 0.86% |
| CR for Schools Debt Service Reduction | \$208,290 | 0.78% |
| Total | \$26,804,133 | 100.00% |



Fiscal Year 2018 Budget

SCHEDULE

BUDGET WORKSESSIONS

- Work Session 1 @ TBD
- Work Session 2 @ TBD
- Others TBD if necessary

REQUIRED PUBLIC HEARING

- June 06, 2017 @ 5:30 PM at the Regularly Scheduled Board of Commissioner's Meeting

ADOPTION

- June 20, 2017 at the Regularly Scheduled Board of Commissioner's Meeting

Fiscal Year 2018 Budget

SUMMARY

- The fiscal year 2018 proposed budget is **balanced** at \$136,156,559 in revenues and expenditures
- The proposed budget provides a **fiscally sound** and responsible **blueprint** for administering the revenues and expenditures for fiscal year 2018
- The proposed budget allows for the continued operations of the County and **for providing the highest level of services** in an efficient and effective manner
- **Thanks to everyone** who allocated time, effort, and expertise in developing the proposed budget
- The proposed budget is respectfully submitted